

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 228

(Delegates Branch and Smith)

Economic Matters

Education, Health, and Environmental Affairs

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**Baltimore City - 45th District - Alcoholic Beverages - Class B-D-7 License**

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This bill authorizes the Baltimore City Board of License Commissioners to issue a Class B-D-7 license in the 5400 block of Harford Road in the 45<sup>th</sup> alcoholic beverages district if (1) average daily receipts from the sale of food are at least 65% of the applicant's total daily receipts; (2) the applicant executes a memorandum of understanding with a community association; (3) the applicant does not create a separate package goods department; (4) alcoholic beverages are served to patrons seated at tables; and (5) alcoholic beverages are served only with meals to patrons provided with outdoor table service. **The bill takes effect July 1, 2020.**

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Baltimore City revenues increase by \$1,920 in FY 2021 and by \$1,370 annually thereafter from application, license, and renewal fees. Baltimore City can handle any enforcement activity with existing resources.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** The board may issue a Class B-D-7 license if it determines, upon consideration of the number of beer, wine, and liquor outlets in the affected area and the outlets' days of sale, that the license is reasonably necessary for public convenience. The license authorizes the licensee to sell beer, wine, and liquor for on- and off-premises consumption. Generally, a Class B-D-7 licensee may sell beer, wine, and liquor from

6 a.m. to 2 a.m. the following day. In the area specified in the Parker Heights Development Plan adopted by the city in 2006, a Class B-D-7 licensee may sell beer, wine, and liquor from 9 a.m. to 10 p.m. The annual license fee is \$1,320.

Generally, the board may not, except as specified, issue a new alcoholic beverages license in the 40<sup>th</sup>, 41<sup>st</sup>, 43<sup>rd</sup>, 44<sup>th</sup>, 45<sup>th</sup>, or 46<sup>th</sup> alcoholic beverages districts.

**Background:** According to the Comptroller's Office, in fiscal 2019, there were 1,208 alcoholic beverages licenses issued in Baltimore City. Baltimore City advises that, as of December 2019, there were 398 active Class B-D-7 licenses in the city.

**Local Fiscal Effect:** Baltimore City advises that it expects to issue one new Class B-D-7 license under the bill. Accordingly, anticipated licensing fee revenue under the bill will total \$1,920 in fiscal 2021 and \$1,370 annually thereafter. This estimate is based on a one-time \$600 application fee, a \$50 renewal fee, and an annual \$1,320 licensing fee.

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### Additional Information

**Prior Introductions:** SB 991 of 2019 passed the Senate and received a hearing in the House Economic Matters Committee, but no further action was taken.

**Designated Cross File:** SB 73 (Senator McCray) - Education, Health, and Environmental Affairs.

**Information Source(s):** Comptroller's Office; Baltimore City; Department of Legislative Services

**Fiscal Note History:** First Reader - January 17, 2020  
rh/tso Third Reader - March 5, 2020

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Analysis by: Elizabeth J. Allison

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510